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Assistant Director for Research and Reports

5 June 1956

THRU : Chief, Economic Research Area, ORR

Chief, Industrial Division, ORR

Monthly Report: May 1956

1. Accomplishments

a. Branch Projects Submitted

38.909, Light Industry in China
33.891, MAP Personalities
33.889, Subcontracting in Soviet Airframe Plants.

b. Other Projects Submitted

30.820, Section 6h, Hungarian NIS
30.1074, Satellite Production of HF Radio Receivers
10.804, Recent Developments in the European Satellites
10.824, Representative Ruble-Dollar Ratios

6 Current Support Items

2. Training

During May the following persons were in training:

25X1A9a R. [REDACTED] (MM) Elementary Russian Reading
W. [REDACTED] (MM) Basic Management
M. [REDACTED] (I/St) Fundamental Problems in Report Writing
G. [REDACTED] (MA) Intensive Russian
E. [REDACTED] (MA) Intensive Russian
I. [REDACTED] (I) Intensive Russian
Lt [REDACTED] (I/SH) BOC
H. [REDACTED] (AR) Industrial Photographic Intelligence
R. [REDACTED] (AR) Staff Officers ECM Familiarization Course, Keesler AFB
L. [REDACTED] (R) Staff Officers ECM Familiarization Course, Keesler AFB.

3. Trips

25X1A9a a. [REDACTED] (I/MM) visited the New York City area on 8 and 9 May,
25X1A5a1 contacting the [REDACTED]
to obtain information on missile guidance systems.

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- 25X1A9a b. [REDACTED] (I/MM) and [REDACTED] (I/AR) visited [REDACTED] to discuss Soviet heavy presses.
- 25X1A5a1 [REDACTED]
- 25X1A9a 25X1A5a1 c. [REDACTED] (I/AR) went to New York City to brief two [REDACTED] 25X1A5a1 for their trip to the Zurich Air Show.
- 25X1A9a d. [REDACTED] Corporation, New York City.

h. Administration

- 25X1A9a a. [REDACTED] Acting Chief of I/MM, resigned from CIA, effective 4 June. [REDACTED] was appointed Acting Chief, I/MM.
- 25X1A9a b. [REDACTED] was transferred from I/MM to I/St.
- 25X1A9a c. [REDACTED] transferred from I/AR to St/I.
- 25X1A9a d. [REDACTED] received final clearance and is presently on duty in I/MM.
- 25X1A9a e. [REDACTED] entered on duty in I/AR.

5. Plans

- a. The external research project on productivity having been approved, D/I plans to draft detailed requirements and suggest where the work can be done.
- b. Production of current intelligence has increased markedly during the past month. D/I plans to continue its present effort.
- c. The projected series of seminars on selected industrial intelligence problems has been postponed until fall.

6. Problems

- a. The first NIS program has been completed, all five Manufacturing and Construction sections submitted to OHI on schedule. The Romanian Section G4 was returned to ORR with comments that suggest basic differences in view between the FRA and OHI on the content of the A - General section. In part, this difficulty arises from OHI reluctance or inability to give direction on this matter. The comments by OBI suggest that the other NIS contributions, all drafted in the same conceptual framework, will also be subject to criticism. If extensive revisions are necessary, a difficult time allocation problem will arise.

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- b. At the direction of Ch/E, the [REDACTED] 50.558 was reviewed and copies of the review forwarded. Beyond the immediate problem of the motor vehicle paper is the general question of the relationship between the

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ERA and D/I and the type of support each will give the other. Pursuant to clarifying these relationships, a review of the D/I [REDACTED] is being considered.

c. Trade fair exploitation plans are being held in abeyance, because the original D/I representatives are no longer available. It has become increasingly evident, however, that as a means of acquiring information on most industrial products the trade fair exploitation is superior to a study of [REDACTED]. The recent exploitation of the Soviet grain combine, for example, proved to be expensive and time consuming. There was some contribution to our knowledge of Soviet agricultural machinery, but the return on our investment was low.

7. Recommendations

a. D/I has completed a series of discussions on promotion policy, attended by all Branch Chiefs and dealing with specific promotions to grades 13 and 14. It was hoped that these meetings would establish a common set of criteria on which promotion recommendations could be made and would eliminate the more obvious differences in standards. In D/I it is apparent that the flexibility of T/O is rapidly diminishing, especially for the promotion from 12 to 13. This decreased opportunity for advancement will make even more imperative a standard set of criteria.

The meetings in D/I were useful, but it was impossible to spell out precise standards for recommending promotions. There would be merit in having meetings on the same subject at the ERA level.

b. In the course of research, D/I branches have frequently found it necessary to do methodological work or basic research which, although of dubious suitability for formal publication, would be valuable to other analysts engaged in similar work. Since the discontinuance of the Working Paper, analysts have been faced with the alternatives of relegating such studies to their files or laboriously typing them up as memorandums. Even when it is possible to recommend publication, the paper is subject to the usual delays in processing and imposes an extra burden on St/PB. For these reasons it might be advisable to institute a new category of informal Research Aid, which would be reproduced by the branch after approval by Ch/E and only cursory treatment by St/PB. Such a report could carry a standard introductory section explaining its purpose, limitations, and possible users, and might include the caveat that the data do not reflect the official ORR position.

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ORR:D/I: [REDACTED] /3835 (5 June 1956)

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Orig & 1 - Addressee

1 - Ch/E

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